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CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

9 October 1968

MEMORANDUM

SUBJECT: The Invasion of Czechoslovakia: Impact on Yugoslavia

1. Nowhere outside the borders of the victimized country did the invasion and occupation of Czechoslovakia evoke greater indignation and dismay than in Yugoslavia. Both the fact and the purpose of the violation of Czech sovereignty by the military forces of the Soviet Union and four of its Warsaw Pact allies were anathema to Belgrade. Moscow's move against Dubcek's new path of socialist development constituted a brutal and direct assault on the basic principles underlying Yugoslav theory and practice with respect to both internal and foreign affairs. As a result, the Czech crisis is likely to have a profound and long term impact on Soviet-Yugoslavia relations, on Yugoslav foreign policy and even on Yugoslavia's internal scene.

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2. Belgrade views the Czech developments as more analagous to the events of mid-1948 than to the situation which arose from the Hungarian revolt. In the fall of 1956, the Yugoslavs denounced the first Soviet intervention in Hungary and blamed the conditions which led to a popular uprising on the policies purused by the Soviet Union and by the Rakosi-Gero regimes. Tito conceded, however, that the second Soviet intervention -- while undesirable per se -- had been justified by the fact that the alternative was abandonment of the country to reactionary forces. Belgrade firmly denies that such extenuating circumstances existed with respect to Czechoslovakia in August 1968. President Tito cautioned the Soviets against military intervention as early as April. When the Soviets chose to ignore this advice, Belgrade made its position clear in Government and Party pronouncements. Socialism had been gravely compromised through the actions of the forces of "bureaucratic statism." There will be "far-reaching and very negative effects on the whole revolutionary movement in the world."

Yugoslav Relations with the Soviet Bloc

3. Since the signing of the Moscow Agreement, there have been fluctuations in the level of Soviet-Yugoslav polemics.

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For the present, both Yugoslavia and the Soviet Union have reasons for attempting to avoid an abrupt worsening of their already strained relations. The Yugoslavs, among other considerations, no doubt hope to postpone and minimize the impact of the dispute on their economic relations with the USSR. The Soviets may well consider it best to let the dust of the Czech events settle further before launching a more vigorous campaign against Belgrade.

4. Signs of restraint on either side, however, should not be interpreted as evidence that Soviet-Yugoslav rapport will gradually be restored to a relatively warm level. The issues at stake for both parties are far too fundamental to permit the graceful retirement of their dispute into the background. The Yugoslavs are crusaders, firmly convinced of the universal validity of their views on socialist development and international relations. They may be expected to continue to defend their position vigorously against Soviet and Soviet-inspired criticism and actively to seek support within the Communist movement and among sympathetically-inclined states throughout the world. Their actions at home, at the United Nations and in the conduct of their bilateral relations are sure to keep the pot

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simmering, no matter how mildly and diplomatically speeches, communiques, or resolutions may be phrased. On the other hand, not only does Moscow deem Yugoslav "revisionist" theory and practice to be dangerous and heretical, but the entire Soviet leadership collective has been tarred by Belgrade's interpretation and condemnation of the Czech invasion. Relations between Yugoslavia are likely to deteriorate further and to remain strained for some time to come.

5. If the Soviets succeed in convening a world conference of Communist parties within the next several months, they are likely to attempt to use it as a sounding board for political-ideological attacks on the Yugoslav Party. Similar attacks at the 1957 Moscow Conference were a major factor contributing to the refusal of the Yugoslav delegation to sign the Declaration of Twelve Ruling Parties issued at the close of that meeting. Shortly thereafter, Belgrade formalized its "revisionist" doctrine in the Party Program adopted at the Seventh Congress of the League of Communists of Yugoslavia (LCY). Punishment was swift in coming. The Soviets virtually excommunicated the Yugoslavs from the Communist movement for a second time, applied severe economic sanctions, and permitted (or persuaded) the Hungarians to execute

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Imre Nagy and to openly implicate Belgrade in the Hungarian revolt. The events of a decade ago may well repeat themselves, at least in part, for the Yugoslavs are once again preparing to hold a significant and controversial Party Congress.

6. The date of the Ninth Congress of the LCY has yet to be definitely set, but the election of delegates will take place in late November. The Congress is expected to approve and give further impetus to the program of Party reforms initiated since the Rankovic ouster, reforms resembling and going beyond those which the Soviets felt compelled to block in Prague. The Soviet Union's heavy-handed actions in Czechoslovakia have done nothing to weaken the resolve or the arguments of the forces favoring liberalization in Yugoslavia, and the results of the LCY Congress (whether it is held before or after the projected Moscow Conference) are most unlikely to be pleasing to Moscow. Unless difficulties at (or in connection with) the Moscow Conference or shifts in Soviet leadership lead the Kremlin to adopt a more tolerant stance, this is the point at which Soviet-Yugoslav relations could well take a further turn for the worse.

7. As in 1958, economic sanctions are available (including cancellation of credits affecting the joint Yugoslav-Rumanian

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Iron Gates Project) and Belgrade can again be accused of collaborating with counterrevolutionary elements in a fraternal socialist country. In view of the relative ineffectiveness of past economic sanctions against Yugoslavia and the potentially adverse impact of such measures on Soviet influence and objectives in the Third World, Moscow may move more subtly with respect to economic pressures than it did in 1958, placing more emphasis on measures in the Party arena. Nevertheless, given the hardening view on ideological matters in the Kremlin and Belgrade's total loss of confidence in the Soviet leadership, the resulting deepened chill in Soviet-Yugoslavia relations is likely to last much longer and to have greater side-effects than was the case 10 years ago.

8. Belgrade's criticism of the Warsaw Pact has become harder and more explicit in the wake of the Czech events and will probably remain so. This development will not lead the Yugoslavs to abandon their negative appraisal of NATO, but some abatement of Belgrade's previously fairly virulent anti-NATO campaign is to be expected. Yugoslavia's bilateral relations with Warsaw Pact stalwarts, Poland, the GDR and Bulgaria will, of course, be affected by most of the considerations affecting the level of tension between Belgrade and Moscow. While a change of leadership

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in Warsaw could result in a gradual improvement in the state of Yugoslav-Polish ties, special problems -- the question of relations with the Federal Republic of Germany on the one hand and the Macedonian issue on the other -- will continue to aggravate matters with respect to Pankow and Sofia. In general, Yugoslav relations with all three countries may be expected to worsen significantly. Whether or not the USSR and its closest collaborators eventually apply formal economic sanctions, the Yugoslavs will have an incentive to try once again to shift more of their trade to the West.

9. The Yugoslavs have openly stated their conviction that the forces of bureaucratic statism in the Bloc have allied themselves with the forces of chauvinism and are exploiting old national rivalries in the pursuit of their hegemonic goals. The revival of Bulgarian claims concerning Macedonia is thus viewed in a broad and sinister context, and cynical note was made of the historical connection between various parts of Czechoslovakia and the Warsaw Pact countries whose troops were assigned to occupy them. Although the Czech territory occupied by Hungarian troops has been cited in connection with the latter point, and despite past difficulties with Budapest over territorial issues,

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Belgrade appears to feel that Hungarian motives and actions with respect to the Czech events should be viewed with a degree of sympathy and understanding for the "special considerations" which limited the options open to the Kadar regime. Relations between Yugoslavia and Hungary may well remain on a relatively cordial level, strengthening concern in Moscow over the continuing threat to Soviet hegemony in Eastern Europe posed by Yugoslav ideas about sovereignty and liberalization.

10. Belgrade will, of course, retain its intense interest in Czech political and economic developments, but the extent to which plans for wide-ranging cooperation -- announced during Tito's visit to Prague in early August -- can be implemented will depend upon the limitations and changes imposed by the occupying forces. For some time to come, both Belgrade and Prague are likely to be cautious in reaching any cooperative arrangements which would risk exceeding the limits of Soviet tolerance.

Yugoslav Relations with Rumania

11. Belgrade has long viewed Bucharest's efforts to assert its independence from Moscow with sympathy and approval. Despite sharply differing approaches to internal matters and to the Arab-Israeli dispute, Yugoslav-Rumanian relations have grown steadily warmer over the past four years. The Czech crisis, with its

threatening implications for the security and independence of both countries, has pushed Yugoslavia and Rumania even closer together. Despite this new "common danger," cooperation in defense matters is likely to remain only the subject of tacit understanding. A formal agreement would have little deterrent value and would present both parties with serious problems. Not the least of these would be the risks involved in an action which would clearly involve a violation of the terms of the Warsaw Pact by Rumania.

12. The Rumanians, intimidated by the threat of possible Soviet intervention, have recently begun to exhibit considerable caution with respect to statements or actions which might further aggravate its relations with its fraternal Warsaw Pact allies. Bucharest's campaign to demonstrate and strengthen popular support for the Party and Government is, of course, intended to deter the Soviets from attempting a "Czech solution" in Rumania, but it also suggests that the Rumanian regime hopes to be able to resume a relatively independent stance once the immediate external threat to its survival subsides. Barring further Soviet moves to bring Ceausescu to heel, Rumania will probably continue its active cooperation with Yugoslavia in economic and (with respect to the European area) foreign policy matters. However, Bucharest is

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likely to be reluctant for some time to furnish the Soviets with fresh and dramatic evidence of its questionable loyalty to the Warsaw Pact. Belgrade has already indicated its belief that Rumania should be extended an invitation to the projected third summit conference of nonaligned countries. In the face of almost certain Soviet opposition to active Rumanian participation in such a meeting, Bucharest may attempt to discourage any efforts aimed at inclusion of its name on the invitation list.

Yugoslav Relations with Albania

13. There are recent signs that, despite considerable animosity between the two countries, stemming from both territorial and ideological issues, Soviet action against Czechoslovakia has induced Yugoslavia and Albania to bury the hatchet, at least temporarily. A high official of the Yugoslav State Secretariat for Foreign Affairs recently noted that Albania has completely halted its anti-Yugoslav campaign in the wake of the Czech events. He added that the Albanians had unofficially raised the question of improving relations and that Belgrade had responded with an official statement to the effect that the Yugoslav Government respects the independence of Albania as essential to peace in the Balkans.

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Clearly, both sides are interested in a normalization of relations for understandable pragmatic reasons.

14. There are a number of factors which will operate to limit the extent of Yugoslav-Albanian rapprochement and perhaps to erode the durability of any modus vivendi. These include Albania's basically unchanged position on the evils of Yugoslav-type revisionism, the influence Peking can exercise over Tirana and the heritage of past animosity. Nevertheless, concrete but relatively undramatic steps toward normalization of relations, such as exchange of trade delegations, negotiation of border traffic agreements, and expansion of transport links, may be expected to be taken by both sides in the coming months. The observation of a Yugoslav official that such measures will have to precede any negotiations for broader cooperation is probably a realistic appraisal of the situation. Albania will probably continue to shun direct attacks on Yugoslav political and economic practices for the time being, but it will find it difficult to avoid tarring Belgrade indirectly in its persistent attacks on revisionism. In the long run, the level and stability of Yugoslav-Albanian rapprochement is likely to depend largely on the degree of the threat which, in the judgment of Belgrade and Tirana, continues to be posed to their political and economic interests by the Soviet Union and its hard-line Warsaw Pact allies.

Yugoslav Relations with the Third World

15. After a period of about two years of relative inactivity, Yugoslavia renewed its efforts to mobilize the badly-divided forces of nonalignment in response to the Arab-Israeli conflict. Begun within the framework of the United Nations, where it met with only limited success, this activity soon led Belgrade to propose the convening of a third nonaligned summit where the developing countries of three continents (plus a few sympathetic "independent" European powers) could be rallied against the threat posed to their sovereignty by the policies of force and intervention attributed to members of an "imperialist conspiracy." Soviet action against Czechoslovakia and Yugoslavia's response subsequently served to enhance Belgrade's prestige and influence in the Third World, to give renewed appeal to the often-maligned policy of nonalignment, and to alter expectations concerning the course and outcome of the projected nonaligned summit. Yugoslav resolve to revitalize and expand the nonaligned grouping has been strengthened. Tito himself, speaking hard on the heels of the Czech invasion, stated that the actions undertaken by the Warsaw Pact Powers had added new urgency and significance to preparations for the new nonaligned conference. Moscow recognizes that, given

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Belgrade's influence and the widespread critical reaction to the Czech invasion, the proceedings and results of such a conference could be most painful.

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16. During the past three years, Yugoslavia has devoted an increasingly larger share of its foreign policy effort to Europe and North America. Pressing economic and political considerations suggest that these areas will continue to receive high priority and that Belgrade will lose no opportunity to advance its campaign to gain support for nonalignment and broad regional cooperation in Europe. Nevertheless, within the limits of its resources, Yugoslavia will probably endeavor to expand its economic and political relations with Afro-Asian and Latin American nations. Despite relatively disappointing results in the field of economic cooperation with these countries in recent years, the prospect of the possible curtailment of Belgrade's trade with the East requires that no opportunities for the development or expansion of markets for Yugoslav exports elsewhere be overlooked. In addition, Belgrade has new cause to seek the widest possible international support for its policies. While the Yugoslavs will continue to

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work to curtail Chinese influence in the Third World, they cannot help but tread on Soviet toes as well by fanning distrust of Moscow's motives, tactics, and doctrine. The Soviets can take some consolation from the fact that in a number of cases pragmatic considerations will outweigh the doubts raised by Belgrade and that several of the Afro-Asian countries in which they have the greatest strategic interest will probably continue to exhibit respect for Moscow's sensitivities. Nonetheless, Belgrade's activities among the nonaligned and underdeveloped nations are likely to raise new problems for the Soviets in such international forums as the United Nations as well as in their relations with individual Third World countries.

Relations with the West

17. Yugoslavia has long sought to maintain broad economic and, where possible, political contacts and cooperation with the countries of Western Europe and North America. The deterioration of Yugoslav-Bloc relations is likely to spur an intensification of this effort, particularly in the economic field, and to move Yugoslavia somewhat closer to the West. For example, Belgrade is likely to step up its campaign to attract foreign private capital into the country and to encourage joint projects in third countries

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by Yugoslav and Western firms. On the other hand, the Yugoslavs have given notice of their intention to adhere to their policy of nonalignment, and unless the Soviet threat to Yugoslav security becomes acute, Belgrade is unlikely to seek a revival of the full range of formal and informal security arrangements which linked it to the West in the early 1950's. Yugoslavia may be expected, however, to take steps to improve its relations with Greece and to seek ways to reduce its dependence on Soviet military equipment and supplies.

18. Yugoslavia cannot be expected to abandon its public criticism of the Vietnam War or its firm support of Nasser's cause in the Middle East. Nonetheless, foreign policy pronouncements emanating from Belgrade on these and other sensitive issues are likely to have a more balanced ring. While unwilling to compromise on "matters of principle," the Yugoslavs are genuinely interested in strengthening their bridges to the West. Despite Belgrade's fear that a revival of anticommunist feeling in Europe and the United States in reaction to the Czech events may make this goal more difficult to achieve, prospects for a further broadening and improvement of Yugoslavia's relations with the West appear relatively bright.

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Internal Impact

19. Yugoslavia's 1963 Constitution set the environment for the country's latest round of economic, political and, after long delay, Party reforms. Belgrade, true to its allegiance to the principle of "separate roads to socialism," modestly denies that the Yugoslav model is transferrable -- intact and in detail -- to other countries. The architects of the Yugoslav experiment are convinced, however -- now more than ever -- that the general direction in which they have been guiding the country represents the wave of the future for socialism. Decentralization and democratization of the political and economic decision-making process is essential to socialist development. The role and organization of the Party must be adjusted accordingly. These facts will eventually be understood and accepted by all. As Tito noted shortly after the Czech invasion, "it was not by accident" that Czechoslovakia had embarked on a path similar to that already being travelled by Yugoslavia.

20. General indignation over the fact and probable consequences of the Warsaw Pact invasion is likely to have strengthened the position of the "liberals" in the Yugoslav Party and Government and to have increased the chances that Tito's successors will be

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able to assume control of the country and to continue his internal policies without a major upheaval. Though conservative opposition still exists, the unofficial guidelines recently issued concerning the type of delegate who should be elected to the Ninth Party Congress suggest that the process of political and economic reform may even be accelerated.

21. Yugoslavia's long-standing and troubling nationalities problem is intertwined with the general and not too clearly defined liberal-conservative division within the country. A number of factors, principally economic issues, have led to a resurgence of national rivalries in recent years. Understandably alarmed, Belgrade has taken a number of steps both to satisfy regional demands and to repress "chauvinist" tendencies. The Warsaw Pact powers which invaded Czechoslovakia have already attempted to exploit these old national antagonisms to weaken support for Tito's regime and policies. But the Czech invasion and its aftermath will probably result in the easing of Yugoslavia's nationality problem for a while. First of all, the possibility that the Soviet Union might attempt military intervention in Yugoslavia has prompted most factions to close ranks behind Tito. This development has, of course, been encouraged by the campaign Belgrade has mounted

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with respect to strengthening the country's defensive capability. Secondly, Belgrade has drawn public attention to Soviet efforts (real and alleged) to exploit chauvinist sentiments in the pursuit of their great power objectives. This, plus the lessons learned from Czech behavior in the face of armed invasion and occupation, will probably serve to reinforce the feeling that regional differences must not be allowed to weaken national unity in these dangerous times.

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